

## 1) Importing Libraries/ Dependancies -

```
In [63]: 1 #import the required libraries
2 import numpy as np
3 import pandas as pd
4 import seaborn as sns
5 import matplotlib.ticker as mtick
6 import matplotlib.pyplot as plt
7 %matplotlib inline
8 import warnings
9 warnings.filterwarnings("ignore")
10 from statsmodels.stats.outliers_influence import variance_inflation_factor
```

## 2) Data Gathering and Data Validitation -

```
In [2]: 1 # Reading CSV File -
2 df_teleco = pd.read_csv("Telco-Customer-Churn.csv")
3 df_teleco.head()
```

```
Out[2]:
```

	customerID	gender	SeniorCitizen	Partner	Dependents	tenure	PhoneService	MultipleLines	InternetService	OnlineSecuri
0	7590-VHVEG	Female	0	Yes	No	1	No	No phone service	DSL	Y
1	5575-GNVDE	Male	0	No	No	34	Yes	No	DSL	Y
2	3668-QPYBK	Male	0	No	No	2	Yes	No	DSL	Y
3	7795-CFOCW	Male	0	No	No	45	No	No phone service	DSL	Y
4	9237-HQITU	Female	0	No	No	2	Yes	No	Fiber optic	Y

5 rows × 21 columns

Look at the first 5 records of the data. Check the various attributes of data like shape (rows and cols), Columns, datatypes.

## 3) EDA (Exploratory Data Analysis) -

```
1 Steps Involved in EDA -
2 1) Information about Dataset
3 2) Describe Dataset
4 3) Find Missing Values / Percentage of Missing Values
5 4) Value Counts of Each Object Feature
6 4) Desciding Encoding Types
7 5) Outliers Detection
8 6) Correlation with Target Feature
9 7) VIF (Variance Inflation Factor)
10 8) Status of Target Feature
11 9) Univariate analysis
```

### Information about Dataset

```
In [3]: 1 # Checking Shape of Data
2 df_teleco.shape
```

```
Out[3]: (7043, 21)
```

There are 7043 rows and 21 features are in data.

```
In [4]: 1 # checking for all the column names
        2 df_teleco.columns
```

```
Out[4]: Index(['customerID', 'gender', 'SeniorCitizen', 'Partner', 'Dependents',
              'tenure', 'PhoneService', 'MultipleLines', 'InternetService',
              'OnlineSecurity', 'OnlineBackup', 'DeviceProtection', 'TechSupport',
              'StreamingTV', 'StreamingMovies', 'Contract', 'PaperlessBilling',
              'PaymentMethod', 'MonthlyCharges', 'TotalCharges', 'Churn'],
              dtype='object')
```

```
In [16]: 1 # Concise Summary of the dataframe, as we have too many columns, we are using the verbose = True
        2 df_teleco.info(verbose = True)
```

```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 7043 entries, 0 to 7042
Data columns (total 21 columns):
#   Column                Non-Null Count  Dtype
---  -
0   customerID            7043 non-null   object
1   gender                 7043 non-null   object
2   SeniorCitizen          7043 non-null   int64
3   Partner                7043 non-null   object
4   Dependents             7043 non-null   object
5   tenure                 7043 non-null   int64
6   PhoneService           7043 non-null   object
7   MultipleLines          7043 non-null   object
8   InternetService        7043 non-null   object
9   OnlineSecurity         7043 non-null   object
10  OnlineBackup           7043 non-null   object
11  DeviceProtection       7043 non-null   object
12  TechSupport            7043 non-null   object
13  StreamingTV            7043 non-null   object
14  StreamingMovies        7043 non-null   object
15  Contract               7043 non-null   object
16  PaperlessBilling       7043 non-null   object
17  PaymentMethod          7043 non-null   object
18  MonthlyCharges         7043 non-null   float64
19  TotalCharges           7043 non-null   object
20  Churn                  7043 non-null   object
dtypes: float64(1), int64(2), object(18)
memory usage: 1.1+ MB
```

## Describe Dataset

```
In [8]: 1 # Check the descriptive statistics of numeric variables
        2 df_teleco.describe()
```

```
Out[8]:
```

	SeniorCitizen	tenure	MonthlyCharges
count	7043.000000	7043.000000	7043.000000
mean	0.162147	32.371149	64.761692
std	0.368612	24.559481	30.090047
min	0.000000	0.000000	18.250000
25%	0.000000	9.000000	35.500000
50%	0.000000	29.000000	70.350000
75%	0.000000	55.000000	89.850000
max	1.000000	72.000000	118.750000

```
In [13]: 1 # Check the descriptive statistics of categorical variables
        2 df_teleco.describe(exclude="number").T
```

Out[13]:

	count	unique	top	freq
customerID	7043	7043	7590-VHVEG	1
gender	7043	2	Male	3555
Partner	7043	2	No	3641
Dependents	7043	2	No	4933
PhoneService	7043	2	Yes	6361
MultipleLines	7043	3	No	3390
InternetService	7043	3	Fiber optic	3096
OnlineSecurity	7043	3	No	3498
OnlineBackup	7043	3	No	3088
DeviceProtection	7043	3	No	3095
TechSupport	7043	3	No	3473
StreamingTV	7043	3	No	2810
StreamingMovies	7043	3	No	2785
Contract	7043	3	Month-to-month	3875
PaperlessBilling	7043	2	Yes	4171
PaymentMethod	7043	4	Electronic check	2365
TotalCharges	7043	6531		11
Churn	7043	2	No	5174

Here we have got basic information about data like non null count, memory usage and Data type of Features. According to business Total charges must be Numerical one so there are 11 count of null values.

SeniorCitizen is actually a categorical hence the 25%-50%-75% distribution is not proper

75% customers have tenure less than 55 months

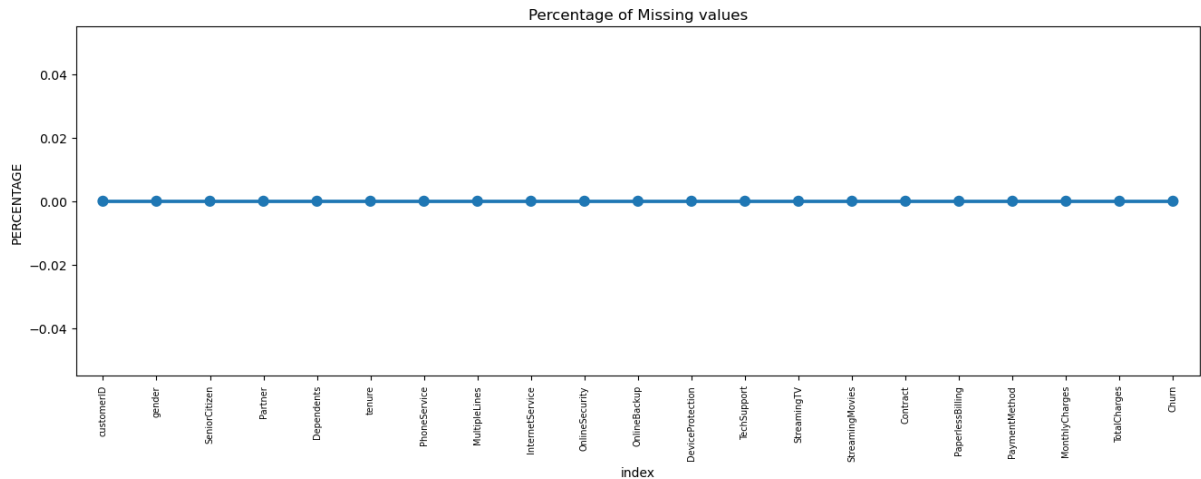
Average Monthly charges are USD 64.76 whereas 25% customers pay more than USD 89.85 per month

### Find Missing Values / Percentage of Missing Values

```
In [14]: 1 # Count of Missing Values in Each Feature
        2 df_teleco.isna().sum()
```

```
Out[14]: customerID      0
gender      0
SeniorCitizen  0
Partner      0
Dependents   0
tenure      0
PhoneService  0
MultipleLines  0
InternetService  0
OnlineSecurity  0
OnlineBackup  0
DeviceProtection  0
TechSupport   0
StreamingTV   0
StreamingMovies  0
Contract      0
PaperlessBilling  0
PaymentMethod  0
MonthlyCharges  0
TotalCharges  0
Churn         0
dtype: int64
```

```
In [20]: 1 missing = pd.DataFrame((df_teleco.isnull().sum())*100/df_teleco.shape[0]).reset_index()
2 plt.figure(figsize=(16,5))
3 ax = sns.pointplot('index',0,data=missing)
4 plt.xticks(rotation =90,fontsize =7)
5 plt.title("Percentage of Missing values")
6 plt.ylabel("PERCENTAGE")
7 plt.show()
```



### Missing Data - Initial Intuition

- Here, we don't have any missing data.

### General Thumb Rules:

- For features with less missing values- can use regression to predict the missing values or fill with the mean of the values present, depending on the feature.
- For features with very high number of missing values- it is better to drop those columns as they give very less insight on analysis.
- As there's no thumb rule on what criteria do we delete the columns with high number of missing values, but generally you can delete the columns, if you have more than 30-40% of missing values. But again there's a catch here, for example, Is\_Car & Car\_Type, People having no cars, will obviously have Car\_Type as NaN (null), but that doesn't make this column useless, so decisions has to be taken wisely.

Total Charges should be numeric amount. Let's convert it to numerical data type

```
In [22]: 1 df_teleco.TotalCharges = pd.to_numeric(df_teleco.TotalCharges, errors='coerce')
2 df_teleco.isnull().sum()
```

```
Out[22]: customerID      0
gender              0
SeniorCitizen      0
Partner            0
Dependents         0
tenure             0
PhoneService       0
MultipleLines      0
InternetService    0
OnlineSecurity     0
OnlineBackup       0
DeviceProtection   0
TechSupport        0
StreamingTV        0
StreamingMovies    0
Contract           0
PaperlessBilling   0
PaymentMethod      0
MonthlyCharges     0
TotalCharges      11
Churn              0
dtype: int64
```

As we can see there are 11 missing values in TotalCharges column. Let's check these records

```
In [25]: 1 df_teleco.loc[df_teleco["TotalCharges"].isnull() == True]
```

Out[25]:

lineSecurity	...	DeviceProtection	TechSupport	StreamingTV	StreamingMovies	Contract	PaperlessBilling	PaymentMethod	Mc
Yes	...	Yes	Yes	Yes	No	Two year	Yes	Bank transfer (automatic)	
No internet service	...	No internet service	No internet service	No internet service	No internet service	Two year	No	Mailed check	
Yes	...	Yes	No	Yes	Yes	Two year	No	Mailed check	
No internet service	...	No internet service	No internet service	No internet service	No internet service	Two year	No	Mailed check	
Yes	...	Yes	Yes	Yes	No	Two year	No	Credit card (automatic)	
No internet service	...	No internet service	No internet service	No internet service	No internet service	Two year	No	Mailed check	
No internet service	...	No internet service	No internet service	No internet service	No internet service	Two year	No	Mailed check	
No internet service	...	No internet service	No internet service	No internet service	No internet service	Two year	No	Mailed check	
No internet service	...	No internet service	No internet service	No internet service	No internet service	One year	Yes	Mailed check	
No	...	Yes	Yes	Yes	No	Two year	No	Mailed check	
Yes	...	No	Yes	No	No	Two year	Yes	Bank transfer (automatic)	

### Creating Copy of Data

Create a copy of base data for manipulation & processing

```
In [122]: 1 data_teleco = df_teleco.copy()
```

### Missing Value Treatment

Since the % of these records compared to total dataset is very low ie 0.15%, it is safe to ignore them from further processing.

```
In [123]: 1 # Removing missing values
2 data_teleco.dropna(how = "any", inplace=True)
```

### Creating Bins based on tenure

Divide customers into bins based on tenure e.g. for tenure < 12 months: assign a tenure group if 1-12, for tenure between 1 to 2 Yrs, tenure group of 13-24; so on...

```
In [124]: 1 # Creating bins
2 data_teleco["Tenure1"] = pd.cut(x=data_teleco["tenure"], bins=[0,12,24,36,48,60,72], labels=[1,2,
```

```
In [125]: 1 # Bins are generated in Categorical format so converting into numerical
2 data_teleco.Tenure1 = pd.to_numeric(data_teleco.Tenure1)
```

In [126]:

1

# Checking for value counts

2

data\_teleco.Tenure1.value\_counts()

Out[126]:

1

2175

6

1407

2

1024

3

832

5

832

4

762

Name: Tenure1, dtype: int64

Removing columns not required for processing

In [127]:

1

# Checking for null count of customerID feature

2

data\_teleco.customerID.nunique()

Out[127]:

7032

In [128]:

1

# Drop columns customerID and tenure. we are dropping customer id beacause it has all unique values

2

data\_teleco.drop(columns= ['customerID','tenure'], axis=1, inplace=True)

3

data\_teleco.head()

Out[128]:

	gender	SeniorCitizen	Partner	Dependents	PhoneService	MultipleLines	InternetService	OnlineSecurity	OnlineBackup	Disch
0	Female	0	Yes	No	No	No phone service	DSL	No	Yes	
1	Male	0	No	No	Yes	No	DSL	Yes	No	
2	Male	0	No	No	Yes	No	DSL	Yes	Yes	
3	Male	0	No	No	No	No phone service	DSL	Yes	No	
4	Female	0	No	No	Yes	No	Fiber optic	No	No	

Value Counts of Each Object Feature

```
In [129]: 1 # Here we are checking for the Value counts of each Object datatype features.
2 cols = data_teleco.select_dtypes(include="object").columns.to_list()
3 for feature in cols:
4     print("Column Name - ",feature)
5     print(data_teleco[feature].value_counts().sort_values(ascending=False))
6     print()
```

Column Name - gender

Male 3549

Female 3483

Name: gender, dtype: int64

Column Name - Partner

No 3639

Yes 3393

Name: Partner, dtype: int64

Column Name - Dependents

No 4933

Yes 2099

Name: Dependents, dtype: int64

Column Name - PhoneService

Yes 6352

No 680

Name: PhoneService, dtype: int64

Column Name - MultipleLines

No 3385

Yes 2967

No phone service 680

Name: MultipleLines, dtype: int64

Column Name - InternetService

Fiber optic 3096

DSL 2416

No 1520

Name: InternetService, dtype: int64

Column Name - OnlineSecurity

No 3497

Yes 2015

No internet service 1520

Name: OnlineSecurity, dtype: int64

Column Name - OnlineBackup

No 3087

Yes 2425

No internet service 1520

Name: OnlineBackup, dtype: int64

Column Name - DeviceProtection

No 3094

Yes 2418

No internet service 1520

Name: DeviceProtection, dtype: int64

Column Name - TechSupport

No 3472

Yes 2040

No internet service 1520

Name: TechSupport, dtype: int64

Column Name - StreamingTV

No 2809

Yes 2703

No internet service 1520

Name: StreamingTV, dtype: int64

Column Name - StreamingMovies

No 2781

Yes 2731

No internet service 1520

Name: StreamingMovies, dtype: int64

Column Name - Contract

Month-to-month 3875

Two year 1685

One year 1472

Name: Contract, dtype: int64

Column Name - PaperlessBilling

Yes 4168

No 2864

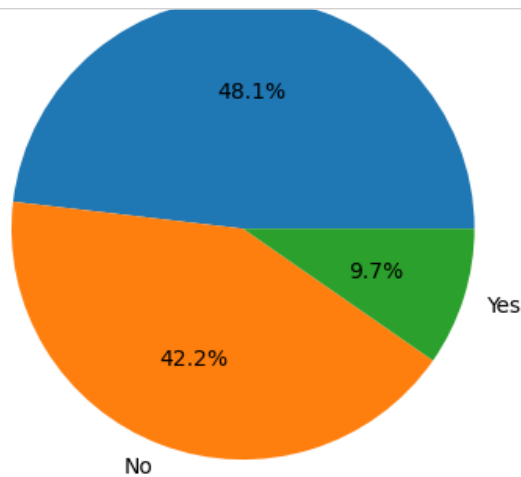
Name: PaperlessBilling, dtype: int64



Column Name - PaymentMethod  
Electronic check 2365  
Mailed check 1604  
Bank transfer (automatic) 1542  
Credit card (automatic) 1521  
Name: PaymentMethod, dtype: int64

Column Name - Churn  
No 5163  
Yes 1869  
Name: Churn, dtype: int64

```
In [130]: 1 for i,predictor in enumerate(data_teleco.select_dtypes(include="object")):  
2     plt.figure(i)  
3     plt.pie(data_teleco[predictor].value_counts(),labels = data_teleco[predictor].unique(),autopct  
4     plt.title(f"Value Count of {predictor}")  
5     plt.show()
```



**Desciding Encoding Types**

```
In [131]: 1 # Checking for any sequence is the object columns so we can select encoding techniques.
2 cols = data_teleco.select_dtypes(include="object").columns.to_list()
3 for feature in cols:
4     print("Column Name - ",feature)
5     print(data_teleco[feature].unique())
6     print()
```

```
Column Name - gender
['Female' 'Male']
```

```
Column Name - Partner
['Yes' 'No']
```

```
Column Name - Dependents
['No' 'Yes']
```

```
Column Name - PhoneService
['No' 'Yes']
```

```
Column Name - MultipleLines
['No phone service' 'No' 'Yes']
```

```
Column Name - InternetService
['DSL' 'Fiber optic' 'No']
```

```
Column Name - OnlineSecurity
['No' 'Yes' 'No internet service']
```

```
Column Name - OnlineBackup
['Yes' 'No' 'No internet service']
```

```
Column Name - DeviceProtection
['No' 'Yes' 'No internet service']
```

```
Column Name - TechSupport
['No' 'Yes' 'No internet service']
```

```
Column Name - StreamingTV
['No' 'Yes' 'No internet service']
```

```
Column Name - StreamingMovies
['No' 'Yes' 'No internet service']
```

```
Column Name - Contract
['Month-to-month' 'One year' 'Two year']
```

```
Column Name - PaperlessBilling
['Yes' 'No']
```

```
Column Name - PaymentMethod
['Electronic check' 'Mailed check' 'Bank transfer (automatic)'
 'Credit card (automatic)']
```

```
Column Name - Churn
['No' 'Yes']
```

Here we can clearly see there is no any precedence or sequence in the PaymentMethod and InternetService Features so we have to use either get\_dummies() or OneHotEncoding Technique.

- Features for OneHotEncoding / Get Dummies - PaymentMethod and InternetService

Here we can clearly see there is precedence or sequence in the gender, PhoneService, Dependents, Partner, Feature, MultipleLines, OnlineSecurity, OnlineBackup, DeviceProtection, TechSupport, StreamingTV, StreamingMovies, Contract and PaperlessBilling so we have to use either replace() or Ordinal Encoding Technique.

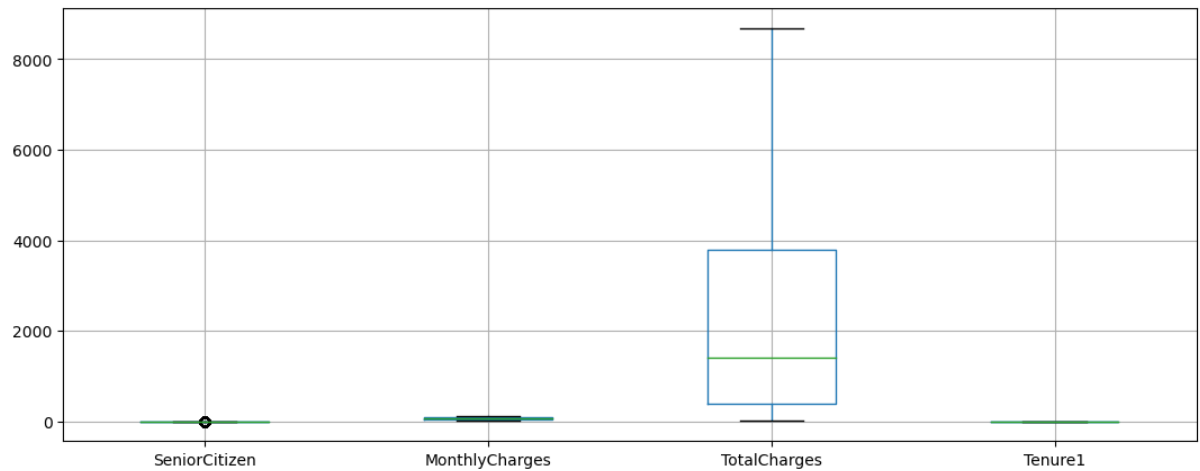
- Features for OrdinalEncoding / replace - gender, PhoneService, Dependents, Partner, MultipleLines, OnlineSecurity, OnlineBackup, DeviceProtection, TechSupport, StreamingTV, StreamingMovies, Contract and PaperlessBilling

As there are categorical values in the churn feature i.e Target Feature so we require need of Label Encoding Technique

- Features for LabelEncoding - churn

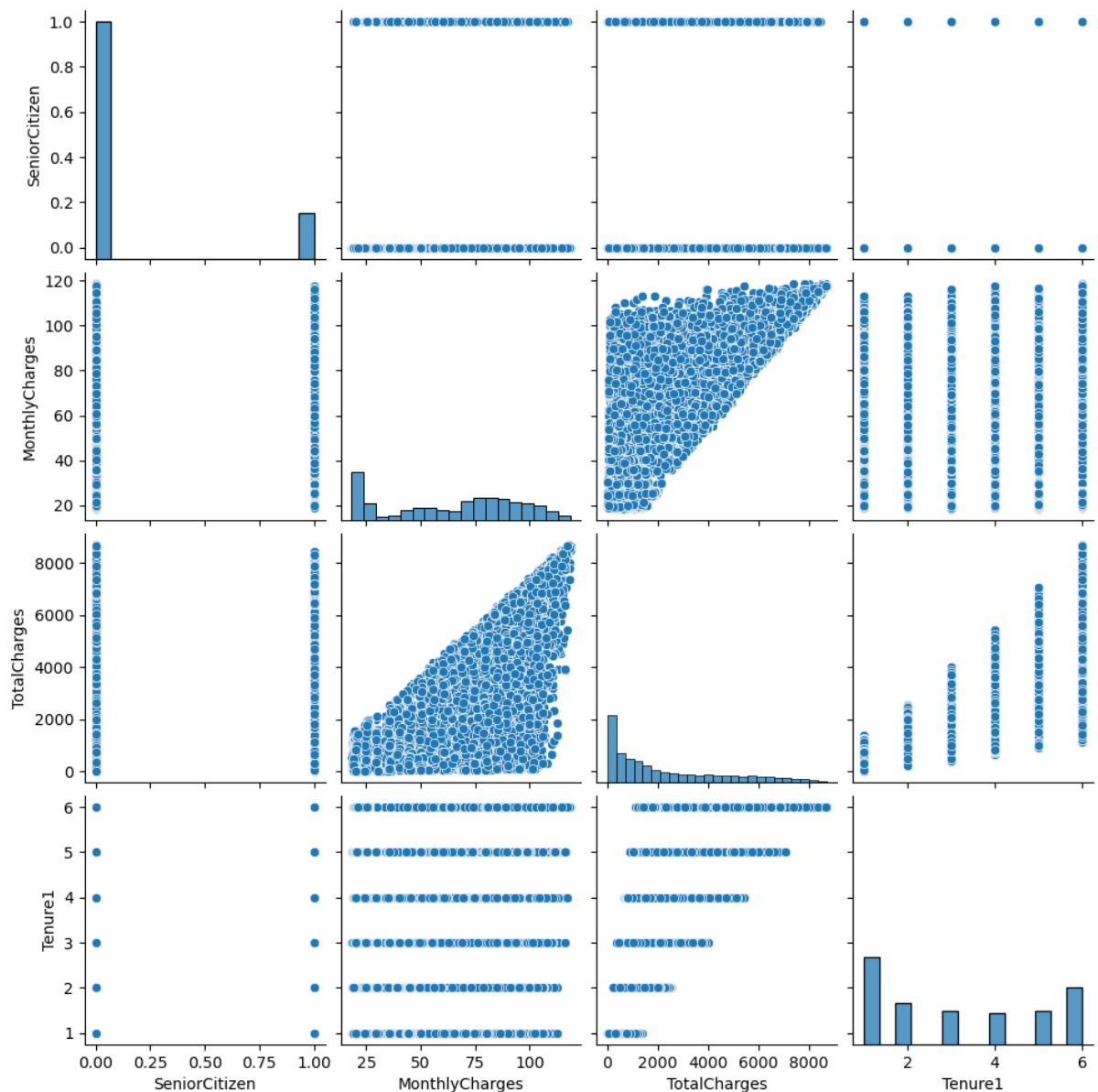
## Outliers Detection

```
In [132]: 1 # Checking for Outliers
2 plt.figure(figsize=(13,5))
3 data_teleco.boxplot()
4 plt.show()
```



Here we can see there are no outliers in the any feature.

```
In [133]: 1 # Pairplot for Distribution
2 sns.pairplot(data_teleco)
3 plt.show()
```



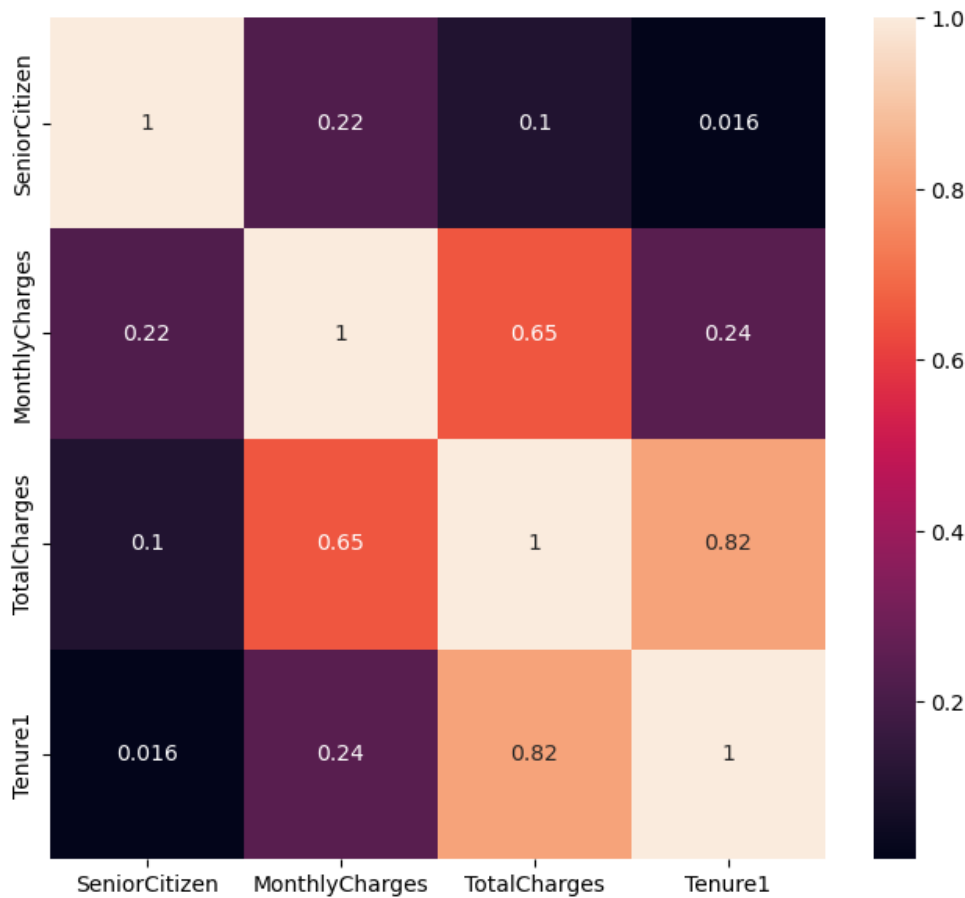
**Correlation**

In [134]: 1 data\_teleco.corr()

Out[134]:

	SeniorCitizen	MonthlyCharges	TotalCharges	Tenure1
SeniorCitizen	1.000000	0.219874	0.102411	0.016019
MonthlyCharges	0.219874	1.000000	0.651065	0.241889
TotalCharges	0.102411	0.651065	1.000000	0.817140
Tenure1	0.016019	0.241889	0.817140	1.000000

```
In [135]: 1 # Heatmap for correlation Values
2 plt.figure(figsize=(8,7))
3 sns.heatmap(data_teleco.corr(),annot=True)
4 plt.show()
```



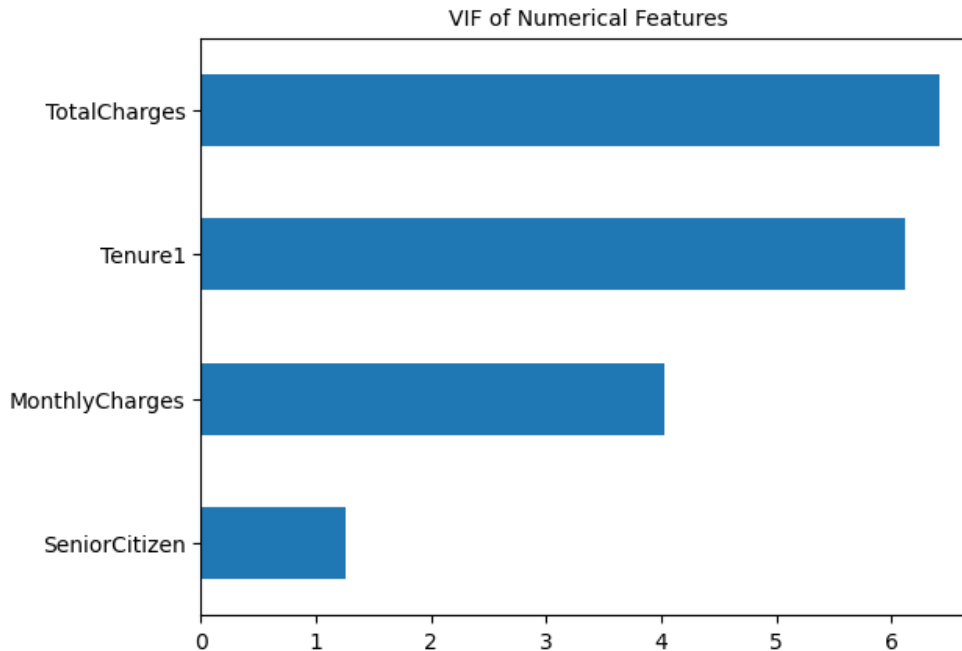
Range of Good correlation/Predictors is -0.7 to -1 for negative correlation and 0.7 to 1 for positive correlation. from above table, heatmap and horizontal Bar graph there is no one feature which is best Describing the target Feature and almost all features having Worst correlation. which is in between -0.3 to 0.3. We can also say that -

Intuitions -

- TotalCharges is highly positive overall correlated with Tenure1.
- TotalCharges is highly positive overall correlated with MonthlyCharges.

**VIF (Variance Inflation Factor)**

```
In [136]: 1 #Checking for relation between independent features.
2 x = data_teleco.select_dtypes(exclude="object")
3 vif_list = []
4 for i in range(x.shape[1]):
5     vif = variance_inflation_factor(x.to_numpy(),i)
6     vif_list.append(vif)
7 x1 = pd.Series(vif_list,index=x.columns)
8 x1.sort_values().plot(kind="barh")
9 plt.title("VIF of Numerical Features",fontsize=10)
10 plt.show()
```



Variance inflation factors range is 0 to infinity. 0 to 5 vif score it suggests that there is no correlation between other independent features. If VIF score is more than 5 then we cut off that feature but in this case most of the features are in vif range so we are not removing any feature.

### Status of Target Feature

First of all We require label encoding because target column is in categorical datatype.

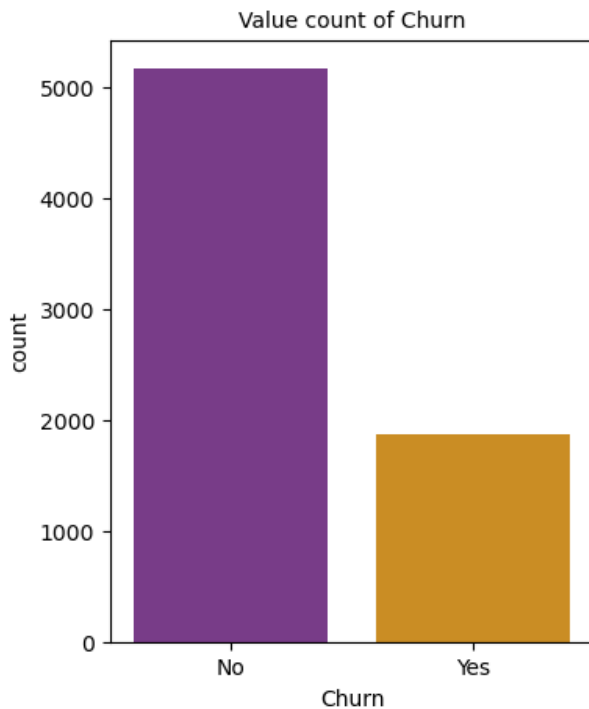
```
In [137]: 1 # Checking for Value counts of churn feature
2 data_teleco["Churn"].value_counts()
```

```
Out[137]: No      5163
          Yes      1869
          Name: Churn, dtype: int64
```

```
In [138]: 1 100*data_teleco['Churn'].value_counts()/len(data_teleco['Churn'])
```

```
Out[138]: No      73.421502
          Yes      26.578498
          Name: Churn, dtype: float64
```

```
In [139]: 1 # Countplot of Loan Status Feature
2 plt.figure(figsize=(4,5))
3 sns.countplot(data_teleco["Churn"], palette='CMRmap')
4 plt.title("Value count of Churn", fontsize=10)
5 plt.show()
```

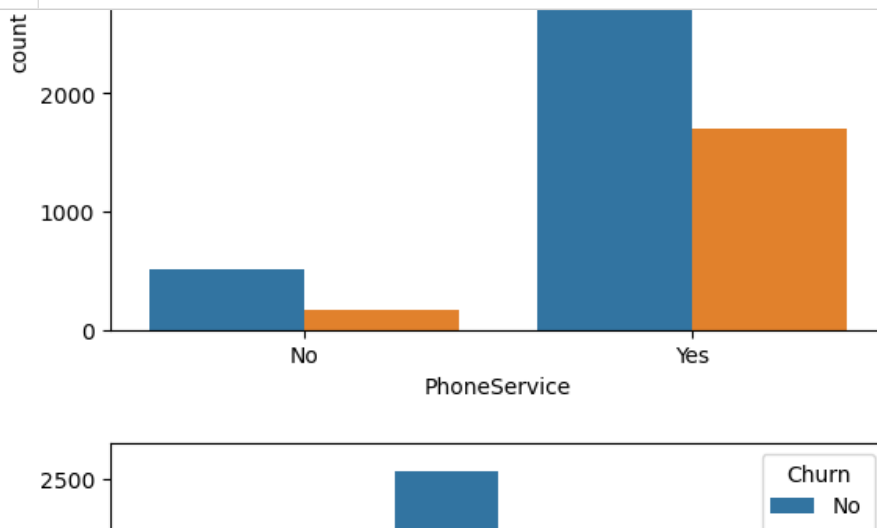


- Data is highly imbalanced, ratio = 73:27
- So we analyse the data with other features while taking the target values separately to get some insights.

## Univariate Analysis

### 1. Plot distribution of individual predictors by churn

```
In [140]: 1 for i, predictor in enumerate(data_teleco.drop(columns=['Churn', 'TotalCharges', 'MonthlyCharges']
2           plt.figure(i)
3           sns.countplot(data=data_teleco, x=predictor, hue='Churn')
```



### 2. Convert the target variable 'Churn' in a binary numeric variable i.e. Yes=1 ; No = 0

```
In [141]: 1 data_teleco['Churn'] = np.where(data_teleco.Churn == 'Yes',1,0)
          2 data_teleco.head()
```

Out[141]:

	gender	SeniorCitizen	Partner	Dependents	PhoneService	MultipleLines	InternetService	OnlineSecurity	OnlineBackup	DeviceProtection
0	Female	0	Yes	No	No	No phone service	DSL	No	Yes	No
1	Male	0	No	No	Yes	No	DSL	Yes	No	No
2	Male	0	No	No	Yes	No	DSL	Yes	Yes	No
3	Male	0	No	No	No	No phone service	DSL	Yes	No	No
4	Female	0	No	No	Yes	No	Fiber optic	No	No	No

### 3. Convert all the categorical variables into Numerical by using encoding variables

```
In [142]: 1 data_teleco.PhoneService.value_counts().to_dict()
```

Out[142]: {'Yes': 6352, 'No': 680}

```
In [143]: 1 # data_teleco["gender"] = data_teleco["gender"].replace({'Male': 1, 'Female': 0})
          2 # data_teleco["PhoneService"] = data_teleco["PhoneService"].replace({'Yes': 1, 'No': 0})
          3 # data_teleco["Dependents"] = data_teleco["Dependents"].replace({'No': 0, 'Yes': 1})
          4 # data_teleco["Partner"] = data_teleco["Partner"].replace({'No': 0, 'Yes': 1})
          5 # data_teleco["MultipleLines"] = data_teleco["MultipleLines"].replace({'No': 0, 'Yes': 1, 'No phone
          6 # data_teleco["OnlineSecurity"] = data_teleco["OnlineSecurity"].replace({'No': 0, 'Yes': 1, 'No i
          7 # data_teleco["OnlineBackup"] = data_teleco["OnlineBackup"].replace({'No': 0, 'Yes': 1, 'No inter
          8 # data_teleco["DeviceProtection"] = data_teleco["DeviceProtection"].replace({'No': 0, 'Yes': 1, '
          9 # data_teleco["TechSupport"] = data_teleco["TechSupport"].replace({'No': 0, 'Yes': 1, 'No interne
          10 # data_teleco["StreamingTV"] = data_teleco["StreamingTV"].replace({'No': 0, 'Yes': 1, 'No interne
          11 # data_teleco["StreamingMovies"] = data_teleco["StreamingMovies"].replace({'No': 0, 'Yes': 1, 'No
          12 # data_teleco["Contract"] = data_teleco["Contract"].replace({'Month-to-month': 0, 'Two year': 2,
          13 # data_teleco["PaperlessBilling"] = data_teleco["PaperlessBilling"].replace({'Yes': 1, 'No': 0})
```

```
In [144]: 1 # applying Replace Function for Encoding
          2 data_teleco["gender"] = data_teleco["gender"].replace({'Male': 1, 'Female': 0})
          3 data_teleco["Contract"] = data_teleco["Contract"].replace({'Month-to-month': 0, 'Two year': 2, 'C
          4 data_teleco["MultipleLines"] = data_teleco["MultipleLines"].replace({'No': 0, 'Yes': 1, 'No phone
          5
          6 for i in ["PhoneService", "Dependents", "Partner", "PaperlessBilling"]:
          7     data_teleco[i] = data_teleco[i].replace({'No': 0, 'Yes': 1})
          8
          9 lst = ["OnlineSecurity", "OnlineBackup", "DeviceProtection", "TechSupport", "StreamingTV", "StreamingM
          10 for i in lst:
          11     data_teleco[i] = data_teleco[i].replace({'No': 0, 'Yes': 1, 'No internet service': 2})
```

```
In [149]: 1 # applying Get_dummies() for encoding
          2 data_dummies = pd.get_dummies(data_teleco.select_dtypes(include="object"))
          3 data_dummies.head()
```

Out[149]:

	InternetService_DSL	InternetService_Fiber optic	InternetService_No	PaymentMethod_Bank transfer (automatic)	PaymentMethod_Credit card (automatic)	PaymentMethod_
0	1	0	0	0	0	
1	1	0	0	0	0	
2	1	0	0	0	0	
3	1	0	0	1	0	
4	0	1	0	0	0	

```
In [150]: 1 # Joining two data frames after Encoding
2 df_data_telco = pd.concat([data_teleco,data_dummies],axis=1)
3 df_data_telco.drop(["PaymentMethod","InternetService"],axis=1,inplace=True)
4 df_data_telco.head()
```

Out[150]:

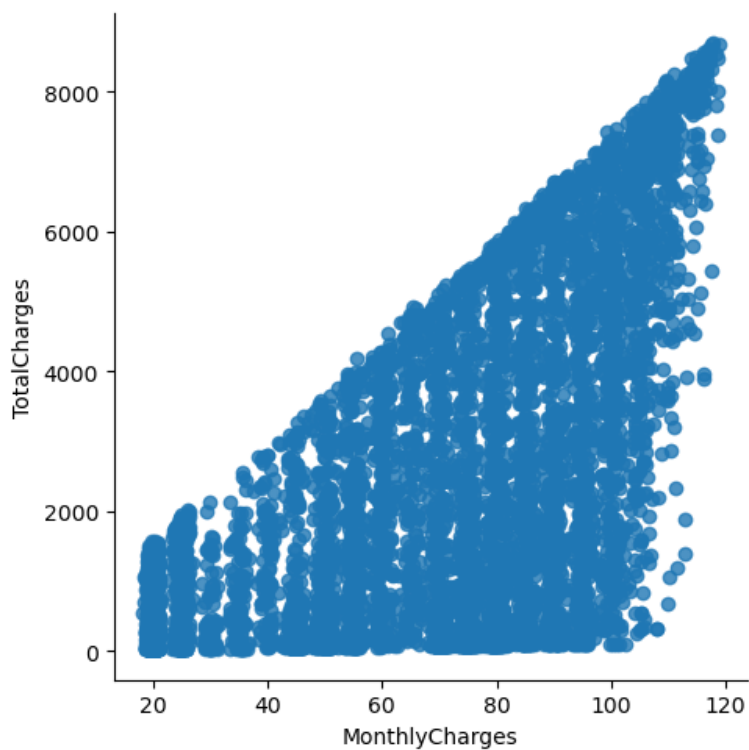
	gender	SeniorCitizen	Partner	Dependents	PhoneService	MultipleLines	OnlineSecurity	OnlineBackup	DeviceProtection
0	0	0	1	0	0	2	0	1	0
1	1	0	0	0	0	1	0	1	1
2	1	0	0	0	1	0	1	1	0
3	1	0	0	0	0	2	1	0	1
4	0	0	0	0	1	0	0	0	0

5 rows × 25 columns



### Relationship between Monthly Charges and Total Charges

```
In [152]: 1 sns.lmplot(data=df_data_telco, x='MonthlyCharges', y='TotalCharges', fit_reg=False)
2 plt.show()
```

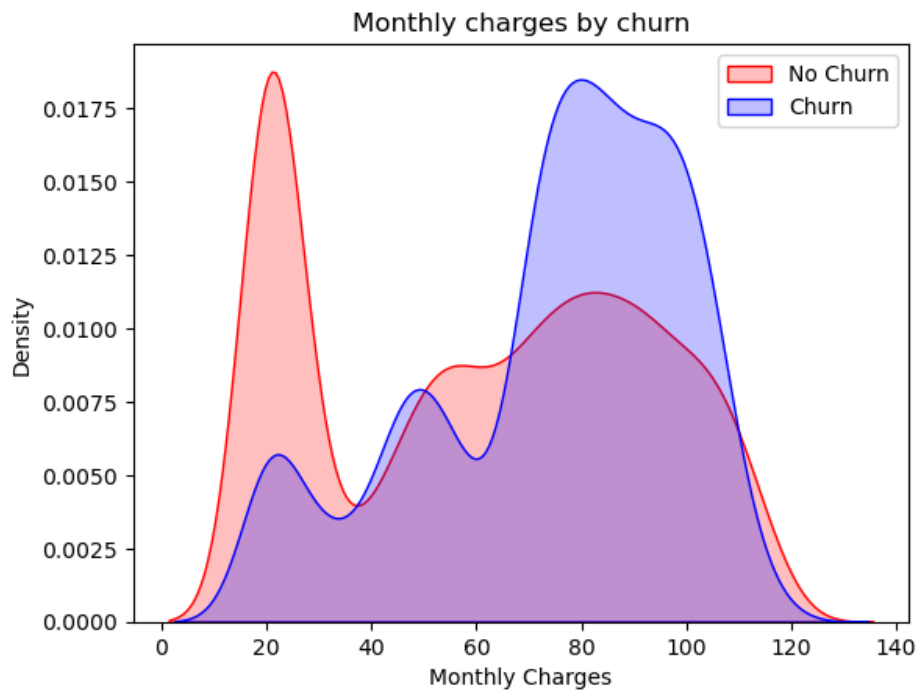


Total Charges increase as Monthly Charges increase - as expected.

### Churn by Monthly Charges and Total Charges

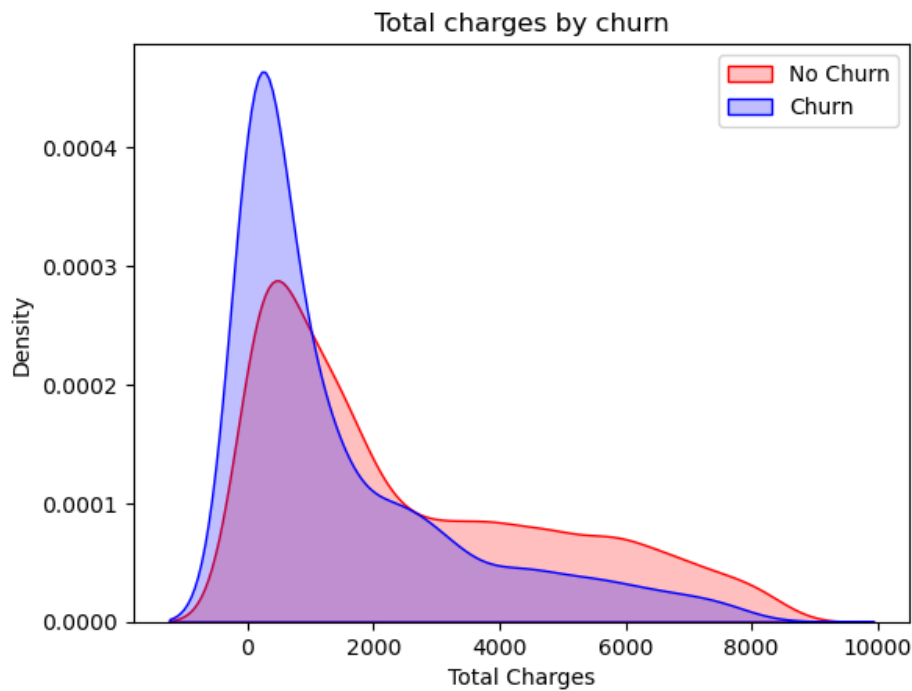


```
In [154]: 1 Mth = sns.kdeplot(df_data_telco.MonthlyCharges[(df_data_telco["Churn"] == 0) ],  
2                 color="Red", shade = True)  
3 Mth = sns.kdeplot(df_data_telco.MonthlyCharges[(df_data_telco["Churn"] == 1) ],  
4                 ax =Mth, color="Blue", shade= True)  
5 Mth.legend(["No Churn","Churn"],loc='upper right')  
6 Mth.set_ylabel('Density')  
7 Mth.set_xlabel('Monthly Charges')  
8 Mth.set_title('Monthly charges by churn')  
9 plt.show()
```



Insight: Churn is high when Monthly Charges are high

```
In [155]: 1 Tot = sns.kdeplot(df_data_telco.TotalCharges[(df_data_telco["Churn"] == 0) ],
2                 color="Red", shade = True)
3 Tot = sns.kdeplot(df_data_telco.TotalCharges[(df_data_telco["Churn"] == 1) ],
4                 ax =Tot, color="Blue", shade= True)
5 Tot.legend(["No Churn","Churn"],loc='upper right')
6 Tot.set_ylabel('Density')
7 Tot.set_xlabel('Total Charges')
8 Tot.set_title('Total charges by churn')
9 plt.show()
```

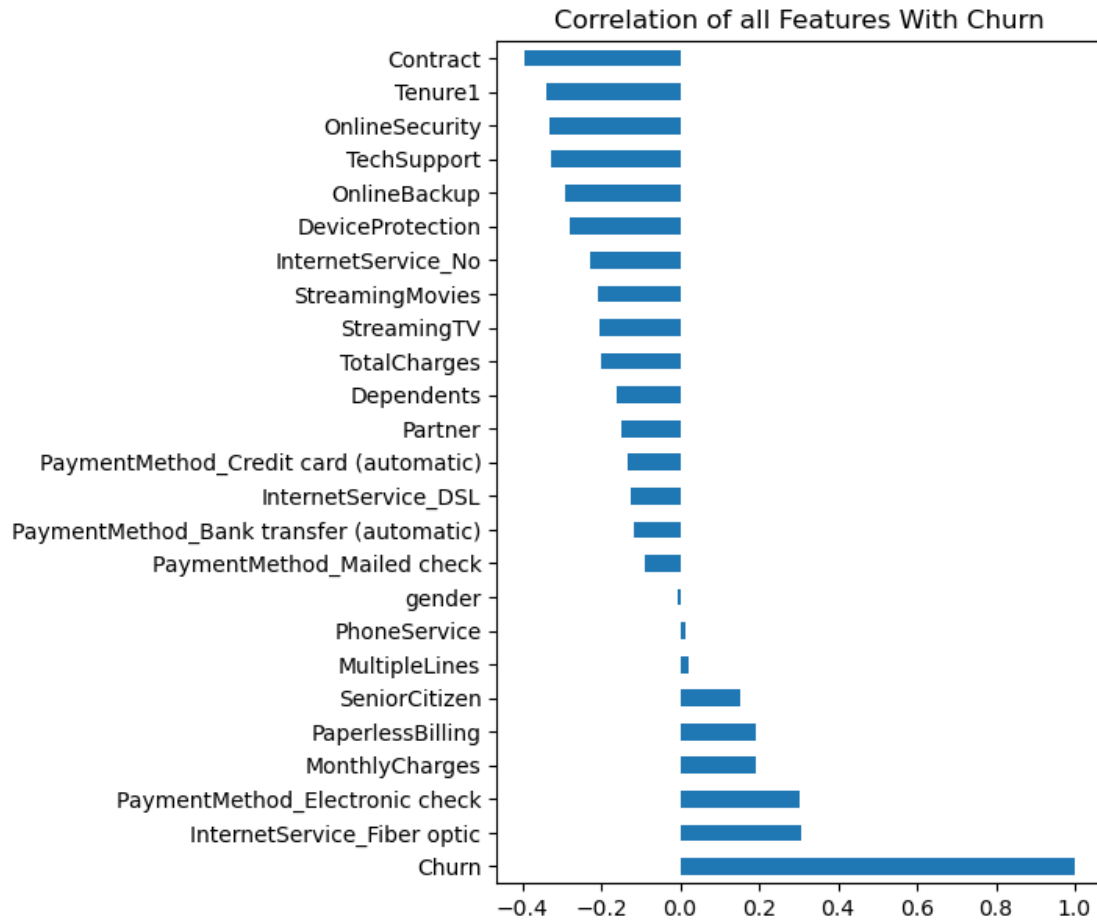


insight : as higher Churn at lower Total Charges

However if we combine the insights of 3 parameters i.e. Tenure, Monthly Charges & Total Charges then the picture is bit clear :- Higher Monthly Charge at lower tenure results into lower Total Charge. Hence, all these 3 factors viz **Higher Monthly Charge, Lower tenure** and **Lower Total Charge** are linkd to **High Churn**.

**Build a corelation of all predictors with 'Churn'**

```
In [167]: 1 # plot of Correlation of Target feature with independent Feature
2 plt.figure(figsize=(5,7))
3 d1 = df_data_telco.corr().loc["Churn"].sort_values(ascending=False)
4 d1.plot(kind="barh")
5 plt.title("Correlation of all Features With Churn")
6 plt.show()
```



*\*Derived Insight: \**

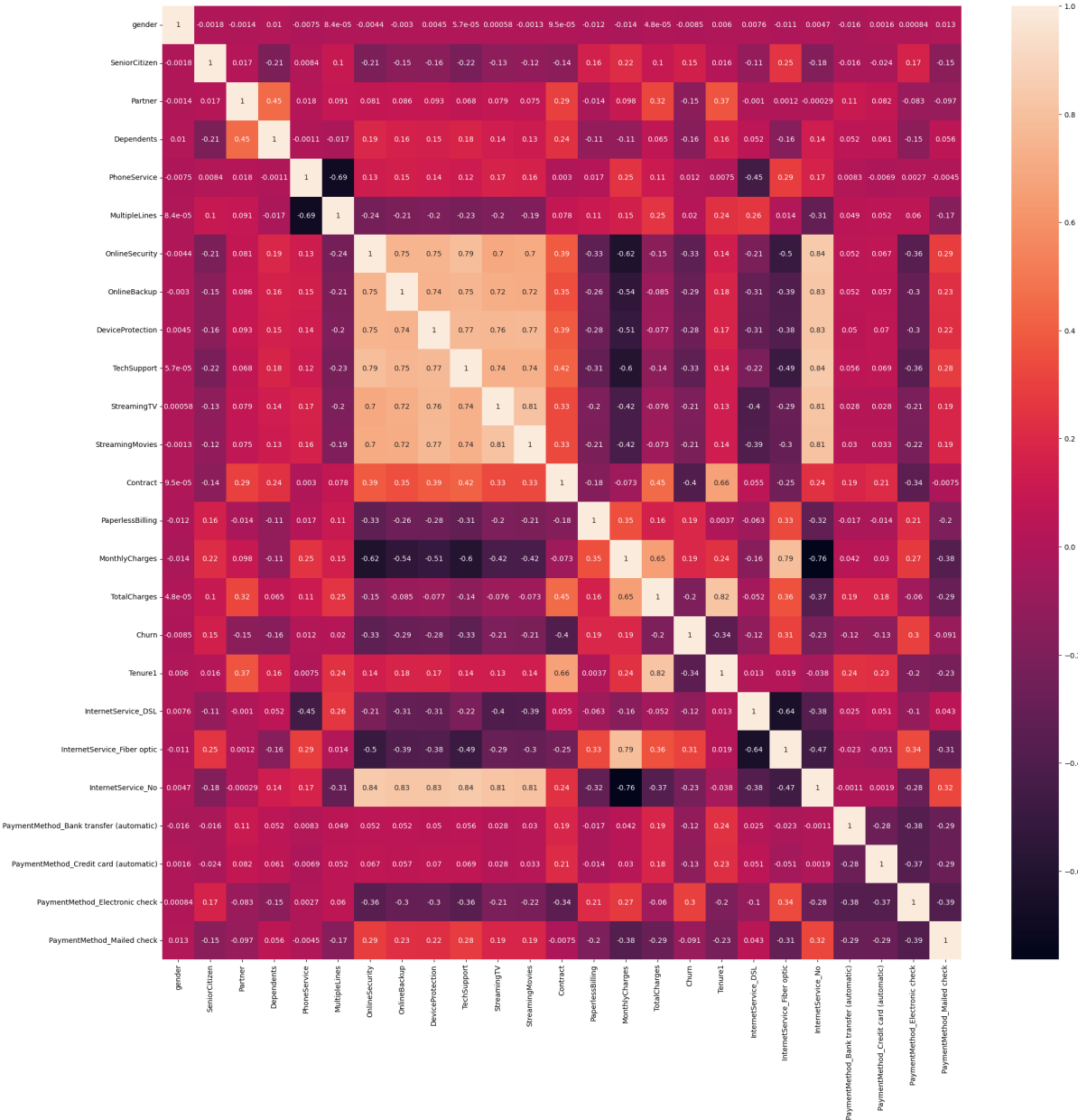
**HIGH** Churn seen in case of **Month to month contracts**, **No online security**, **No Tech support**, **First year of subscription** and **Fibre Optics Internet**

**LOW** Churn is seen in case of **Long term contracts**, **Subscriptions without internet service** and **The customers engaged for 5+ years**

Factors like **Gender**, **Availability of PhoneService** and **# of multiple lines** have almost **NO** impact on Churn

This is also evident from the **Heatmap** below

```
In [170]: 1 # Heatmap of Correlation
2 plt.figure(figsize=(25,24))
3 sns.heatmap(df_data_telco.corr(),annot=True)
4 plt.show()
```

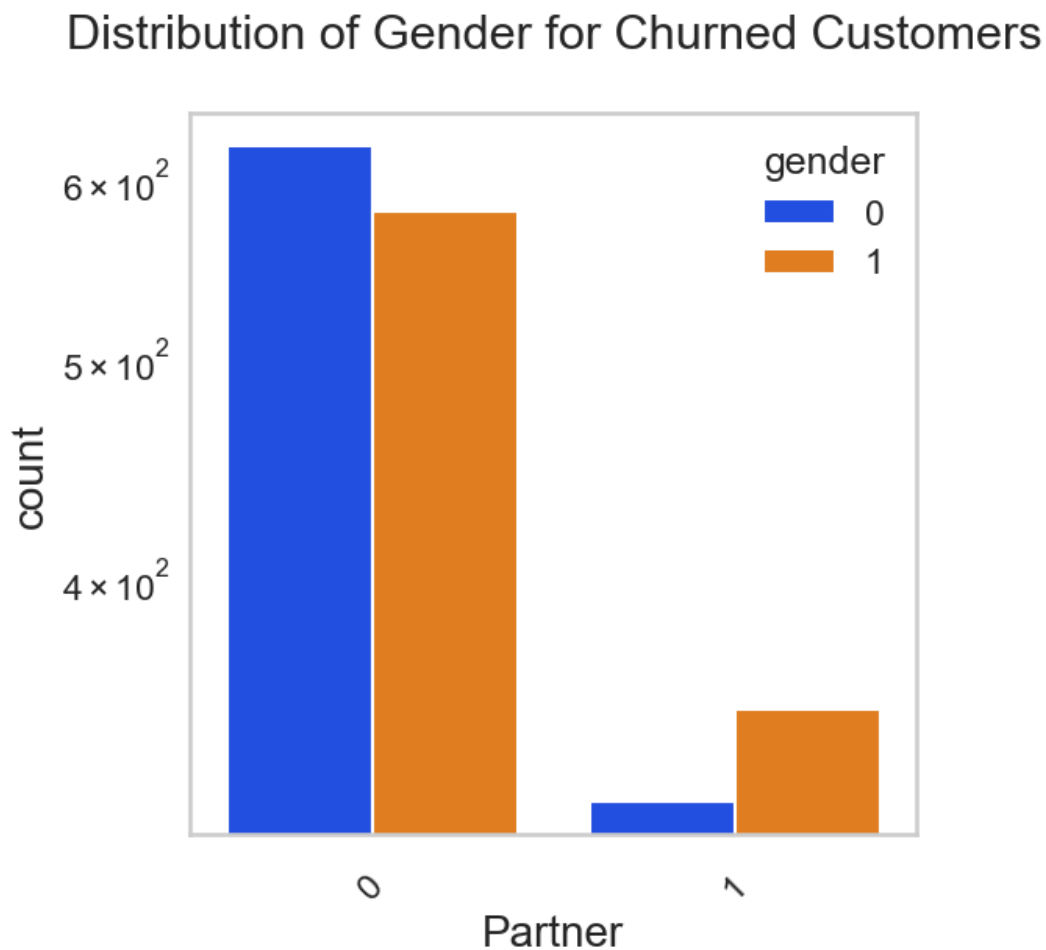


Bivariate Analysis

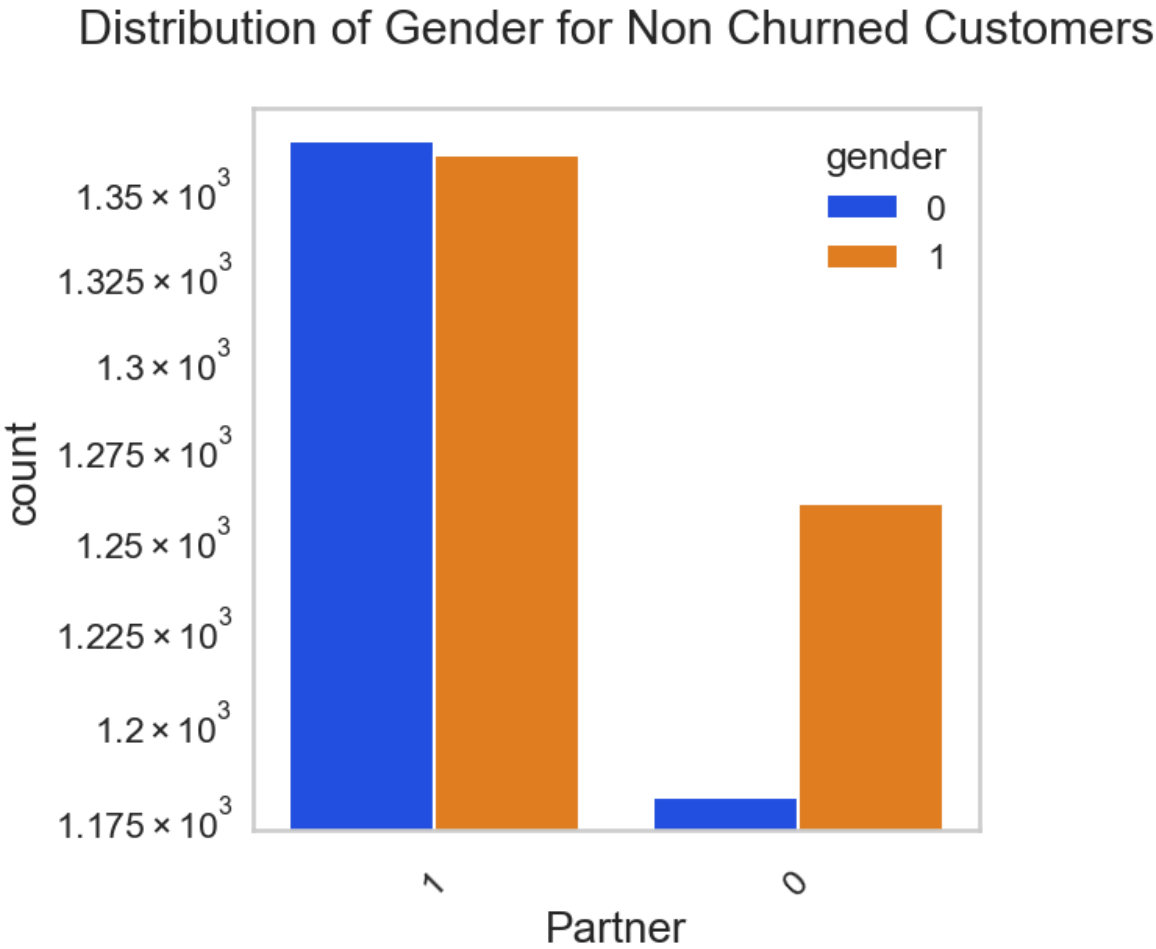
```
In [192]: 1 new_df1_no_churn = data_teleco.loc[data_teleco["Churn"]==0]
2 new_df1_churn = data_teleco.loc[data_teleco["Churn"]==1]
```

```
In [236]: 1 def uniplot(df,col,title,hue =None):
2
3     sns.set_style('whitegrid')
4     sns.set_context('talk')
5     plt.rcParams["axes.labelsize"] = 20
6     plt.rcParams['axes.titlesize'] = 22
7     plt.rcParams['axes.titlepad'] = 30
8
9     temp = pd.Series(data = hue)
10    fig, ax = plt.subplots()
11    width = len(df[col].unique()) + 4*len(temp.unique())
12    fig.set_size_inches(width , 6)
13    plt.xticks(rotation=45)
14    plt.yscale('log')
15    plt.title(title)
16    ax = sns.countplot(data = df, x= col, order=df[col].value_counts().index,hue = hue,palette='b
17
18    plt.show()
```

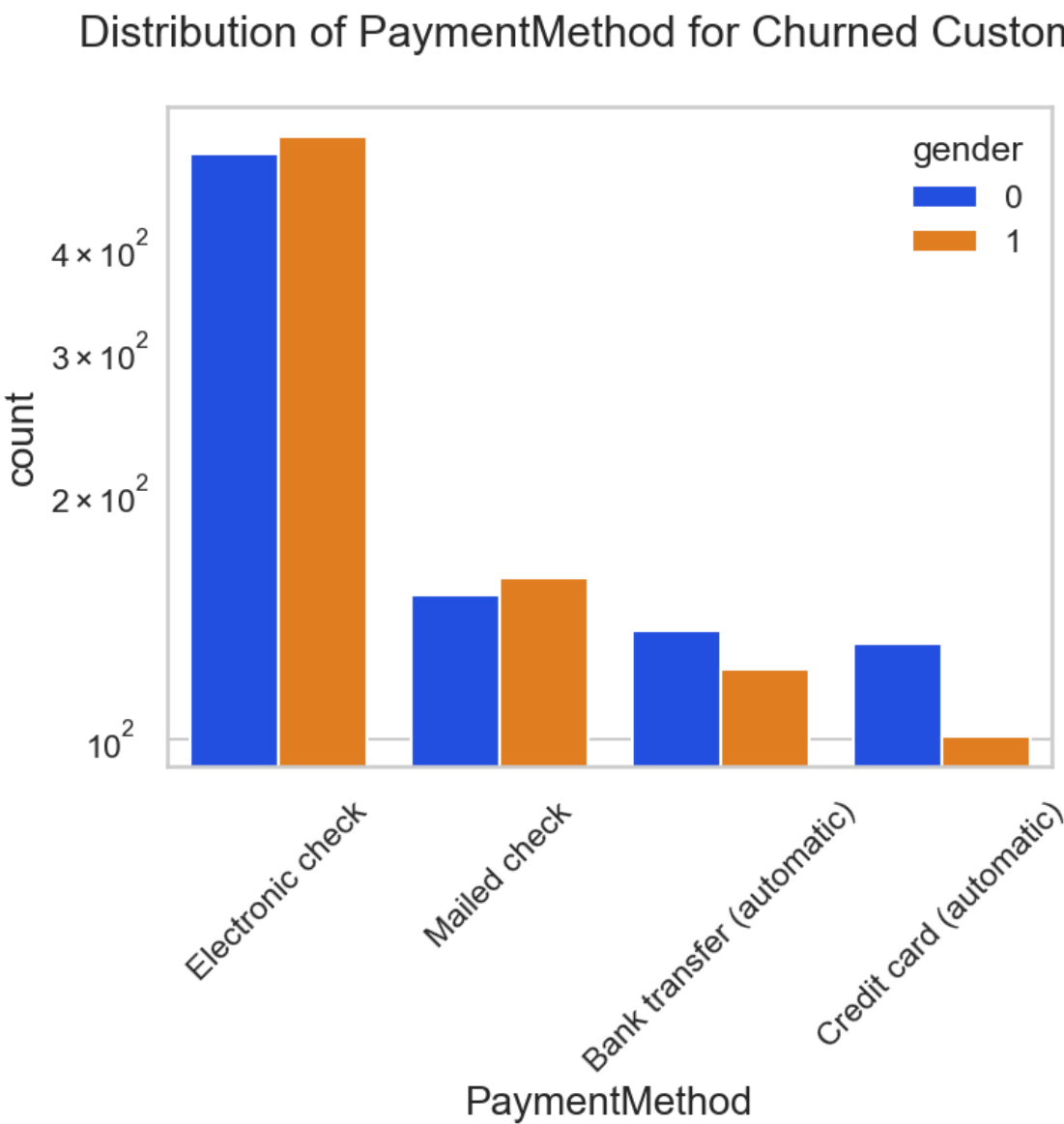
```
In [237]: 1 uniplot(new_df1_churn,col='Partner',title='Distribution of Gender for Churned Customers',hue='ger
```



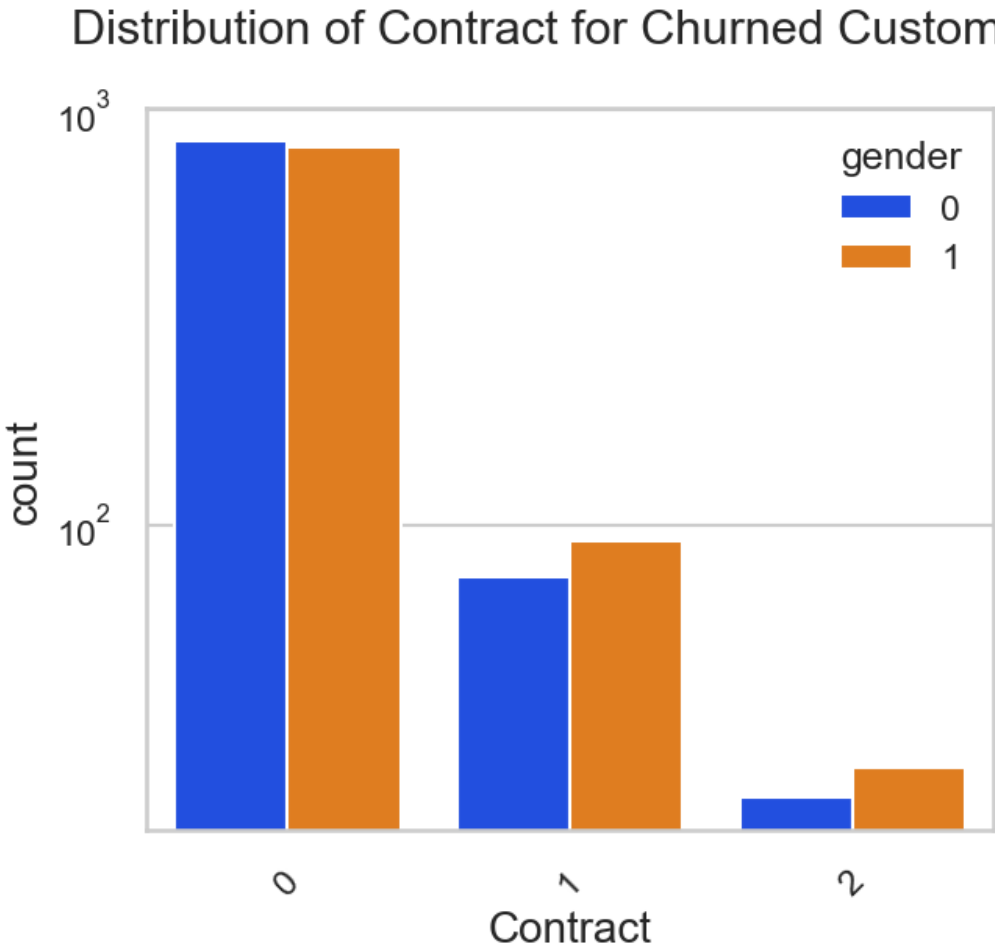
```
In [238]: 1 uniplot(new_df1_no_churn,col='Partner',title='Distribution of Gender for Non Churned Customers',h
```



```
In [239]: 1 uniplot(new_df1_churn,col='PaymentMethod',title='Distribution of PaymentMethod for Churned Custom
```



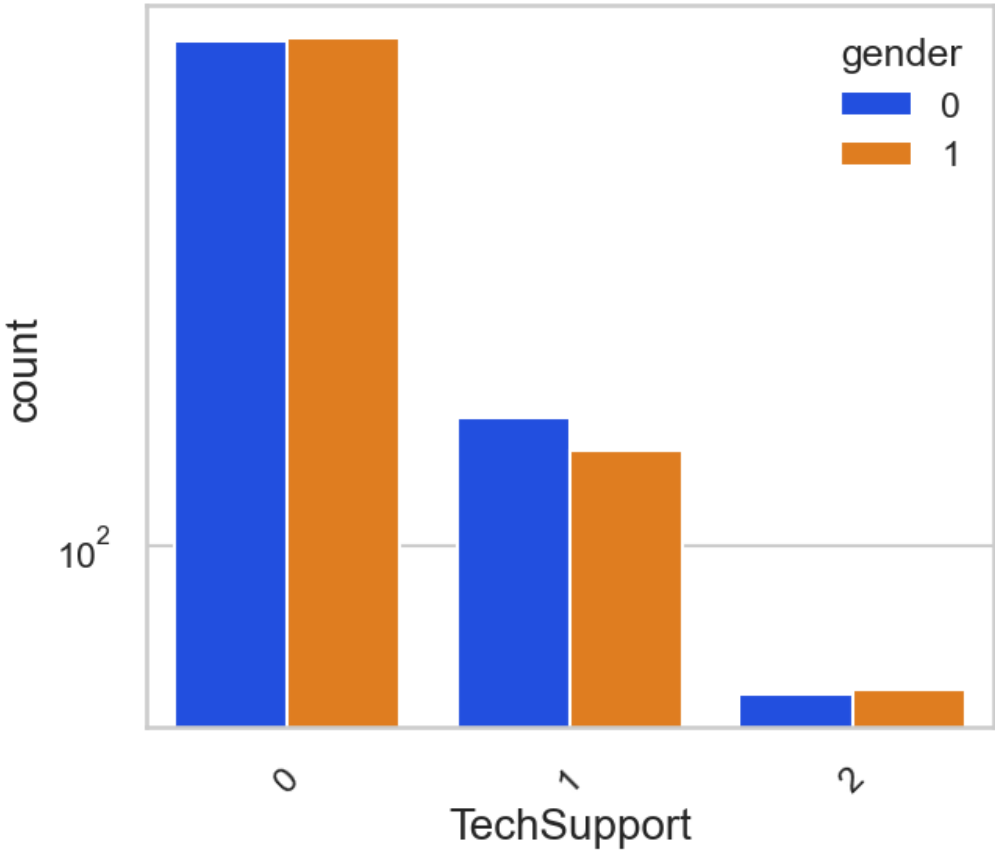
```
In [240]: 1 uniplot(new_df1_churn,col='Contract',title='Distribution of Contract for Churned Customers',hue='gender')
```





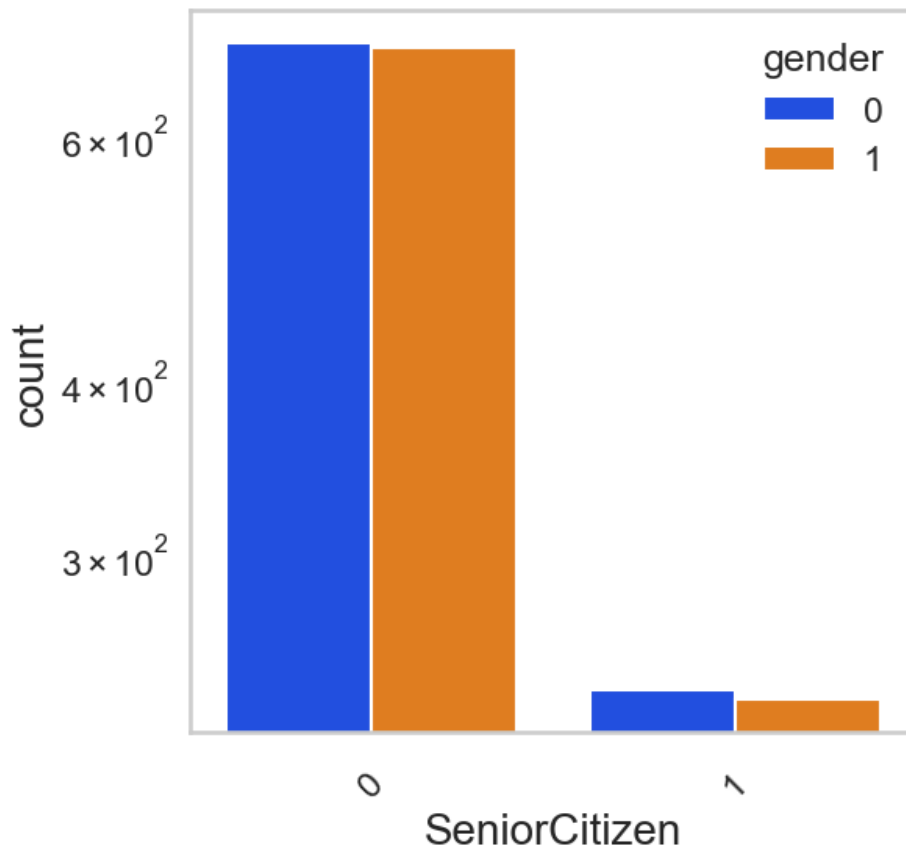
```
In [241]: 1 unipLOT(new_df1_churn,col='TechSupport',title='Distribution of TechSupport for Churned Customers')
```

Distribution of TechSupport for Churned Customers



```
In [242]: 1 unipLOT(new_df1_churn,col='SeniorCitizen',title='Distribution of SeniorCitizen for Churned Custom
```

## Distribution of SeniorCitizen for Churned Customers



## Conclusion

These are some of the quick insights from this exercise:

1. Electronic check medium are the highest churners
2. Contract Type - Monthly customers are more likely to churn because of no contract terms, as they are free to go customers.
3. No Online security, No Tech Support category are high churners
4. Non senior Citizens are high churners

Note: There could be many more such insights, so take this as an assignment and try to get more insights :)

```
In [224]: 1 # Saving dataframe to csv for Model Building
          2 df_data_telco.to_csv('Tel_churn.csv')
```